THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I

Cont. A 22 of 2026

Under Rule 11 of the NCLT Rules, 2016 r/w Section 60(5) of the IBC and Section 425 of the Companies Act, 2013.

Mr. Premraj Ramratan Laddha
(Liquidator of M/s Euro Ceramics Limited)

...**Applicant**

V/s

Nirav Anupam Tarkas

…**Respondent**

In the matter of
COMPANY PETITION (IB) No.66/MB/2018

ANCHOR LEASING PRIVATE LIMITED

…Petitioner

V/s

EURO CERAMICS LIMITED

…Respondent

Order delivered on: 29.10.2026

Coram:

Shri Prabhat Kumar
Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey
Hon'ble Member (Judicial)

Appearances:

For the Applicant : Adv. Agam H Maloo

ORDER

1. This Application Cont. A 22/2026 was filed by Mr. Premraj Ramratan Laddha (Applicant), Liquidator of M/s. Euro Ceramics Limited, under Rule 11 of the National Company Law Tribunal Rules, 2016, r/w Section 60(5) of the IBC Code, 2016, and Section 425 of the Companies Act, 2013, seeking the following reliefs:-

   I. Allow the present application.

   II. To initiate contempt proceedings against the Respondent Mr. Nirav Anupam Tarkas for the wilful and deliberate breach of the order dated 31/10/2025 passed by this Honorable Tribunal in IA no. 2848 of 2025 in CP(IB) no. 66 of 2018 and further be please to direct the respondent to purge the contempt in the interest of justice.

   III. To allow the applicant to initiate the recovery proceedings against the Respondent as per the applicable laws to attach properties/assets of the respondent to recover the said amount from the properties/assets of the respondent by initiating execution proceedings against the Respondent.

   IV. Pass such necessary order/ orders as may be deem fit in the facts and circumstances of the case in the interest of all stakeholders.

2. The present application is filed by the Applicant (Present Liquidator) seeking initiation of contempt proceedings against Mr. Nirav Anupam Tarkas, the erstwhile Liquidator of the Corporate Debtor, for wilful and deliberate non-compliance of the order dated 31.10.2025 passed by this Tribunal in IA No. 2848 of 2025 in CP (IB) No. 66 of 2018.

3. By the said order, this Tribunal determined that the erstwhile Liquidator had wrongfully withdrawn excess fees from the account of the Corporate Debtor and

directed him to refund ₹72,51,530/- along with GST and applicable interest. The said order has been upheld by the Hon'ble NCLAT vide order dated 24.02.2026 in Company Appeal No. 336 of 2026, thereby attaining finality. Thereafter, a civil appeal filed by the Respondent has also been dismissed by the Hon’ble Supreme Court. However, the Respondent has filed a review application against the said dismissal on 02.09.2026, and the same is still pending.

4. Despite repeated requests and communications from the Applicant, the Respondent has failed and neglected to comply with the aforesaid orders and has not refunded the excess amount. Such conduct amounts to willful disobedience and deliberate breach of the orders passed by this Tribunal.

5. In these circumstances, the Applicant is constrained to invoke the contempt jurisdiction of this Hon'ble Tribunal under Section 425 of the Companies Act, 2013 read with the Contempt of Courts Act, 1971, and seeks appropriate directions, including initiation of contempt proceedings and permission to undertake recovery/execution proceedings for realization of the said amount.

6. This Tribunal, vide order dated 31.10.2025 passed in IA 2848 of 2025 in CP IB 66 of 2018, dismissed the Respondent Application after finding that the Respondent has withdrawn excess amount from the liquidation account towards his fees, and consequently had required the Respondent to pay back Rs. 72,51,530/- to the Corporate Debtor. The said amount has still not been paid by the Respondent, and the Applicant, being the incumbent liquidator, has filed this application for an appropriate order against the Respondent, alleging willful disobedience of the order on his part.

7. This Tribunal, vide order dated 17.06.2026, issued a show cause notice to the Respondent after considering the applicant's submission that he had repeatedly requested Mr. Nirav Anupam Tarkas/respondent to refund the excess amount

received by him during the liquidation period from 06.09.2023 until the present applicant was appointed as liquidator, to our utter dismay.

8. The Respondent has filed a reply stating that the Application was filed with the intention of giving colour of "contempt", despite there being no wilful disobedience by the Respondent, and that, at the highest, it is a question of compliance/execution of the Order dated 31st October 2025 passed by this Tribunal, which can only be agitated in execution proceedings. Further, the Applicant has suppressed material facts from this Tribunal and caused this Tribunal to pass the Order dated 31st October 2025, which, inter alia, directed the Respondent to pay to the Applicant a sum of Rs. 7251,530/- along with GST and applicable interest. It is further stated that, even if it is admitted that the answering Respondent could not have excluded the period of 141 days, as held in the Order dated 31st October 2025 passed by this Tribunal, the answering Respondent is required to refund pro rata fees taken by the Respondent from the Corporate Debtor. However, the Applicant has falsely stated that the Respondent is liable to pay a sum of Rs. 72,51,530/-. The Applicant has fraudulently concealed from this Tribunal that the GST amount of Rs. 23,51,710/- was included in the amount of Rs. 72,51.530/- and that the amount of Rs. 23,51,710/- was paid by the Respondent to the GST department and the Corporate Debtor has offset the above amount from the GST liability of Rs. 14,41,40,400/- collected from the successful bidder of Land pared and other miscellaneous fixed assets of Rs. 2,53,80.000/ on 27th March 2024 and Rs. 77,54,00,000 on 31st March, 2025.

9. It is not disputed that the appeal against the order dated 31.10.2025, filed by the contemnor/answering Respondent, has been dismissed by the Hon’ble NCLAT as well as the Hon’ble Supreme Court. Accordingly, the amounts ordered to be paid by this Tribunal are payable beyond any doubt, and any dispute in relation to the quantum thereof or suppression of fact in relation thereto has no merit in

the present proceeding. Nonetheless, even if the Respondent's submission in relation to the availment of input credit of GST paid by the Respondent against the GST liability of the Corporate Debtor is taken into consideration, the GST attributable to the excess fees can only be deducted, and not the whole of the GST components, which have otherwise been taken into account while determining the excess amount withdrawn by the Respondent. However, even this ground cannot justify non-payment of the admitted excess withdrawal. It is pertinent to note that the answering Respondent herein, in the capacity of Insolvency Professional overseeing the liquidation process, was entrusted with the assets of the corporate debtor, and he could not have indulged in suo-moto withdrawals which were not in accordance with law, and even if he has withdrawn under mistaken belief, ought to have refunded it at the first instance after such withdrawal having been pointed out.

10. Section 425 of the Companies Act, 2013 provides that this Tribunal and the Appellate Tribunal shall have the same jurisdiction, powers and authority in respect of contempt of themselves as the High Court has and may exercise, for this purpose, the powers under the provisions of the Contempt of Courts Act, 1971 (70 of 1971).

11. It is imperative for us to protect the Administration of Justice by mandating the litigants to obey and abide by the orders passed by this Tribunal to preserve the faith of the litigants in the rule of law. Accordingly, the respondents' conduct must be dealt with in accordance with the provisions of the Contempt of Courts Act, 1971. Considering the facts of the case and the judicial precedents, we are of the considered view that the Respondents are liable for action in terms of the Contempt of Courts Act, 1971.

12. Section 12(1) of the Contempt of Courts Act, 1971 provides that "*Save as otherwise expressly provided in this Act or in any other law, a contempt of court may be punished with simple imprisonment for a term which may extend to six*

months, or with fine which may extend to two thousand rupees, or with both: Provided that the accused may be discharged or the punishment awarded may be remitted on apology being made to the satisfaction of the Court".

13. It is pertinent to refer to decision of Hon'ble Supreme Court in case of ***Celir LLP vs. Mr. Sumati Prasad Bafna & Ors.*** **(2024) ibclaw.in 319 SC,** wherein the Hon'ble Court held that "*187…… The contemptuous act complained of must be such that would result in obstruction of justice, adversely affect the majesty of law and impact the dignity of the courts of law."* The Hon'ble Court observed at para 188 that *"In* ***Ram Kishan v. Tarun Bajaj & Ors. reported in (2014) 16 SCC 204*** *it was held that the contempt jurisdiction conferred on to the law courts power to punish an offender not only for his wilful disobedience but also for contumacious conduct or obstruction to the majesty of law. It further observed that such power has been conferred for the simple reason that the respect and authority commanded by the courts of law are the greatest guarantee to an ordinary citizen that his rights shall be protected and the entire democratic fabric of the society will crumble down if the respect of the judiciary is undermined……."* The Hon'ble Court further observed at para 189 that *"In* ***Murray & Co. v. Ashok Kr. Newatia & Anr. reported in (2000) 2 SCC 367*** *this Court held that the purpose of contempt jurisdiction is to uphold the majesty and dignity of the courts of law since the image of such a majesty in the minds of the people cannot be led to be distorted, as any indulgence which can even remotely be termed to affect the majesty of law would result in the society losing its confidence and faith in the judiciary and the law courts forfeiting the trust and confidence of the people in general……."* The Hon'ble Court further observed at para 191 that "*In* ***Reliance Petrochemicals Ltd. v. Proprietors of Indian Express Newspapers, Bombay Pvt. Ltd. & Ors. reported in (1988) 4 SCC 592*** *it was observed that the process of due course of administration of justice must remain unimpaired. Public interest demands that there should be no interference with judicial process and the effect of the judicial*

decision should not be pre-empted or circumvented……"

14. It is noted that, instead of refunding the money, the answering Respondent has been found to have acted contumaciously by not restoring the money to the corporate debtor, even after the Hon'ble Supreme Court dismissed his appeal as early as August 2026. This clearly evidences contumacious conduct by the answering Respondent. Section 13(a) of the Contempt of Courts Act, 1971 provides that *no court shall impose a sentence under this Act for contempt of court unless it is satisfied that the contempt is of such a nature that it substantially interferes, or tends substantially to interfere with the due course of justice*. The judicial precedents and the conduct of the Respondents clearly demonstrate that the Respondents have consciously disobeyed the orders of this Tribunal to refund the money to the corporate debtor.

15. Considering the facts of the case and the judicial precedents, we are of the considered view that the Respondents is held guilty of contempt of orders passed by this Tribunal and are liable for action in terms of the Contempt of Courts Act, 1971, and that the ends of justice would be met if the Respondents are sentenced to suffer simple imprisonment for one (1) week. However, considering the Respondents' age and health condition, we consider it appropriate to impose a fine of Rs. 2,000/- on the Respondents, with liberty to the Respondents to purge the contempt by refunding the amount to the Corporate Debtor within 30 days from the date of communication of this Order, failing which the Respondents shall suffer simple imprisonment in civil prison for one week. Respondent would surrender before this Court within two days failing which warrant of arrest would be issued. The Applicant would also be required to deposit the amount charged by the Jail Authorities as a subsistence allowance, either with the Registry or directly to the Jailor.

16. The Application Cont. A (IBC) 22 of 2026 stands allowed in the above terms. Put up for compliance and further order on 30.11.2026.

17. Needless to say, the Applicant shall be at liberty to file an appropriate execution application for realisation of the outstanding amounts from the Respondents.

-Sd/-
Prabhat Kumar
Member (Technical)

-Sd/-
Sushil Mahadeorao Kochey
Member (Judicial)